

Official Statement**EAST BAY MUNICIPAL UTILITY DISTRICT****Alameda and Contra Costa Counties, California****WATER DEVELOPMENT PROJECT****FOR EAST BAY AREA BONDS (General Obligations)****\$25,000,000 Series J**

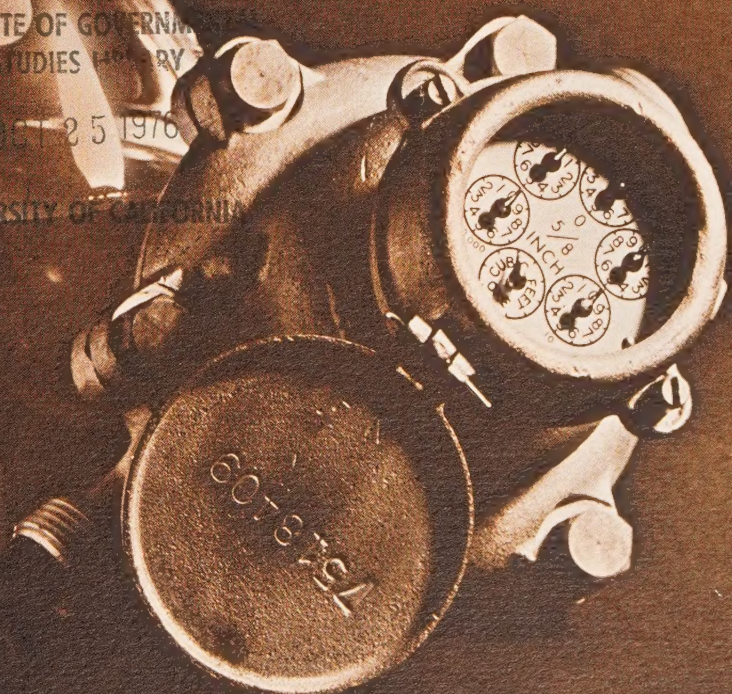
BIDS WILL BE RECEIVED BY THE BOARD OF DIRECTORS OF THE DISTRICT AT 2130
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PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco*
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc., *San Francisco*
Financing Consultants

Citibank, N.A., *New York*
The First National Bank of Chicago, *Chicago*
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THE DATE OF THIS OFFICIAL STATEMENT IS SEPTEMBER 28, 1976

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This official statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., on behalf of East Bay Municipal Utility District, to supply information to prospective bidders on, and buyers of, \$25,000,000 principal amount of Water Development Project for East Bay Area Bonds, Series J, proposed to be issued by the District.

Summaries of the resolution of issuance and other documents and reports contained herein do not purport to be complete or authoritative, and reference is made to such documents on file in the offices of the District for further information concerning legal or technical matters.

This official statement is not to be construed as a contract with the purchasers of the Series J Bonds. Except as otherwise stated, the information contained herein has been obtained either from the books and records of the District or from sources which are believed to be reliable, but the accuracy of which is not guaranteed.

Certain legal matters incident to the authorization and sale of the Series J Bonds are subject to the approving opinion of Orrick, Herrington, Rowley & Sutcliffe, bond counsel to the District. Orrick, Herrington, Rowley & Sutcliffe and Stone & Youngberg Municipal Financing Consultants, Inc. will receive compensation from the District contingent upon the sale and delivery of the Series J Bonds.

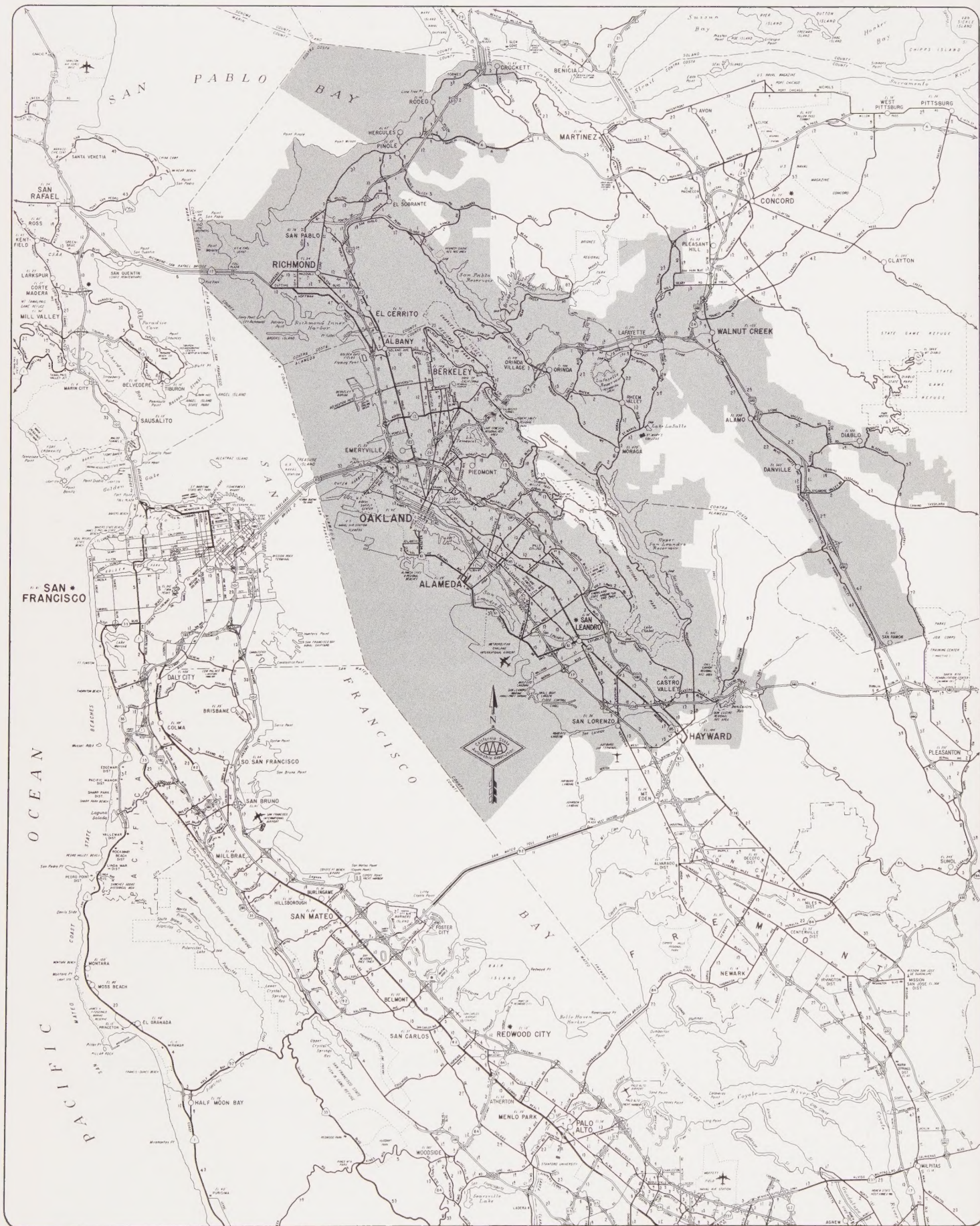
No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This official statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of, the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The execution and distribution of this official statement have been authorized by the District.

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Vicinity map. The service area of the East Bay Municipal Utility District is shown as the shaded area.

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INTRODUCTION

The East Bay Municipal Utility District's primary function is the distribution of water. It serves a 304-square mile area on the mainland side of San Francisco Bay, with water originating mainly in the Sierra Nevada approximately 100 miles to the east of Oakland. The District includes most of the urban and suburban development in Alameda and Contra Costa Counties. In terms of number of customers, it is the second largest retail water distributor west of the Mississippi. Population of the District is estimated at 1,028,800, and its assessed valuation for 1976/77 is \$4,765,671,986.

The District has approximately 304,000 active water service accounts, an increase of about 8,000 services since 1971. Gross water consumption in the 1975/76 fiscal year amounted to 80.4 billion gallons, or an average of 220 million gallons daily. Water use, population and assessed valuation are at high levels and appear to have begun a leveling-off phase. The depreciated cost of the District's plant, equipment, land and rights-of-way and work in progress amounted to \$400,033,226 as of June 30, 1976, an increase of over \$44,000,000 since June 30, 1971.

The District's bonds are general obligations, secured by the power of unlimited taxation. However, bond service is met primarily from water revenues. A nominal tax for public fire protection is levied for services not directly measured by water consumption. In 1969/70 through 1974/75, the basic tax rate was 15¢ per \$100 assessed valuation. In 1975/76 the rate was reduced to 14¢ per \$100 assessed valuation, and in 1976/77, the rate was reduced to 13¢ per \$100 assessed valuation, the lowest rate in the District's history. The bonds are expected to be 100% self-supporting as a result of water rate increases during 1973 and 1974 and proposed water rate increases as necessary.

The \$25,000,000 Series J Bond issue is the ninth issue to be offered of the \$252,000,000 of bonds approved by voters of the District in 1958 to finance the Water Development Project for the East Bay Area. A total of \$196,000,000 of the \$252,000,000 of authorized bonds has been issued.

The Series J Bonds are being issued principally to finance (1) completion of major modifications to the Upper San Leandro Dam, (2) initiation of modifications to the San Pablo Dam, (3) installation of reclamation facilities at the San Pablo, Lafayette and Upper San Leandro Filter Plants, and (4) modifications of Chabot Dam and spillway.

THE BONDS

Authority for Issuance

The \$25,000,000 Series J Bonds described herein are a part of an issue of the \$252,000,000 General Obligation Water Development Project for East Bay Area Bonds authorized in June 1958 by a favorable vote of 78%. The bonds are being issued pursuant to the Municipal Utility District Act (Division 6 of the Public Utilities Code of the State of California).

The bonds are non-voted bonds issued in lieu of voted bonds pursuant to Section 53540 et seq. of the Government Code of the State of California. The validity of the issuance of the in-lieu bonds has been sustained by the California Court of Appeals, First Appellate District, in *East Bay Municipal Utility District vs. Sindelar*, April 21, 1971.

Terms of Sale

Bids for the purchase of the bonds will be received by the Board of Directors of the East Bay Municipal Utility District at the office of the District Secretary, 2130 Adeline Street, Oakland, California, at 10:00 a.m., Tuesday, November 9, 1976. Details of the terms of sale will be found in the Official Notice of Sale adopted September 28, 1976.

Description of the Bonds

The \$25,000,000 Series J Bonds are numbered J1 to J5000, inclusive, each in the denomination of \$5,000, and dated December 1, 1976.

The bonds are payable on December 1 of each year as shown in the following Schedule of Maturities.

SCHEDULE OF MATURITIES

Maturity Date December 1	Principal Maturing
1980	\$ 500,000
1981	875,000
1982-1996	1,575,000

Interest is payable semiannually on June 1 and December 1. Bond principal and interest are payable at paying agencies of the District in San Francisco, New York, or Chicago. The District will maintain paying agents in these three cities as long as any bonds of this issue are outstanding.

The paying agents of the District are currently:
Citibank, N.A., New York
The First National Bank of Chicago, Chicago
Crocker National Bank, San Francisco

Redemption Provisions

The Series J Bonds maturing on or before December 1, 1986, a total principal amount of \$9,250,000, are not redeemable prior to maturity. Bonds maturing on or after December 1, 1987, a total principal amount of \$15,750,000, are subject to call and redemption, as a whole or in part on December 1, 1986, or on any interest payment date thereafter, in inverse numerical order, upon payment of the principal amount, accrued interest to the date of redemption, and a premium of $\frac{1}{4}$ of 1% of such principal amount for each year and for any remaining fraction of a year between the date of redemption and the date of maturity of the bonds.

Notice of intended redemption is to be published in Oakland, with the first publication not less than 30 or more than 90 days before the redemption date.

Registration

The bonds are issuable as coupon bonds in \$5,000 denominations and as fully registered bonds in any multiple of \$5,000. The coupon and registered bonds will be interchangeable without charge. Registrar is Crocker National Bank, San Francisco.

Legal Opinion

The legal opinion of Messrs. Orrick, Herrington, Rowley & Sutcliffe of San Francisco, California, attesting to the validity of the bonds will be supplied without cost to the successful bidder for the bonds. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each bond without charge to the successful bidder.

Legality for Investment

It is believed that in accordance with Section 1355.1 of the Financial Code of the State of California, the bonds are legal investments for all trust funds and for the funds of all insurance companies, commercial banks, trust companies, the state school funds, and any public or private funds which may be invested in county, municipal or school district bonds, and may be deposited as security for the performance of any act whenever the bonds of any county, municipality or school district may be so deposited.

Tax Exempt Status

In the opinion of bond counsel, the interest on the bonds is exempt from present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions.

Purpose of the Issue

Proceeds of the Series J Bonds are intended to be applied to the construction or modification of terminal storage, aqueduct, pumping, treatment, and related facilities. This construction program is described in greater detail in a later section of this official statement.

Security

The bonds are general obligations of the East Bay Municipal Utility District and the District has the power and (unless funds are otherwise provided from revenues) is obligated to cause annual ad valorem taxes sufficient for payment of bond principal and interest to be levied on all property within the District subject to taxation by the District, without limitation of rate or amount.

Although the bonds are secured by the power of unlimited taxation, the District expects to continue to derive most of its revenues from the sale of water. The District currently derives about 15% of its operating revenues from taxes.

District Powers

The East Bay Municipal Utility District was organized in 1923 pursuant to the Municipal Utility District Act of 1921. District powers are broad and include authority to levy taxes, up to 15¢ per \$100 assessed valuation, on all taxable property within the District for general purposes, except those for its Special District No. 1, and unlimited taxes for bond service. The District has sole authority to establish rates and charges for all utilities owned by it and is permitted under the Act to acquire, construct, own, operate or control works for supplying the District and public agencies in the District with light, water, power, heat, transportation, telephone service or other means of communications, or means for the collection, treatment or disposition of garbage, sewage or refuse matter and public recreation facilities appurtenant to its reservoirs. The East Bay Municipal Utility District presently exercises only those functions relating to water supply and recreation, and through its Special District No. 1, sewage disposal.

Bonded Debt

From the formation of the District in 1923 to the year 1958, only 37% of plant investment was obtained by borrowing, the balance being internally-generated funds. During this period, the District derived \$79,800,000 from sale of three bond issues (including \$2,800,000 in premiums). The first of these issues, in the amount of \$39,000,000, was in 1925 when the Pardee Dam and an 80-mile aqueduct to the East Bay were built. In 1928 a \$26,000,000 bond issue was sold to buy the local privately-owned water distribution system and the District took title to this system in December, 1928. In 1949, a second Mokelumne Aqueduct was completed, financed from proceeds of \$12 million of bonds sold in 1947 and \$9 million of accumulated revenues.

In June, 1958, the District's voters authorized bonds in the amount of \$252 million to finance improvements to the water system, including construction of a third aqueduct and two new major impounding reservoirs. To date, eight series in an aggregate principal amount of \$196 million have been sold.

Bonds in the present series are being sold in accordance with District policy affirmed by the Board of Directors in 1969. This policy is to employ bor-

rowed funds only for construction of major capital facilities to serve the entire service area or large segments of the area, and land associated with such facilities. Other facilities are financed from current operations plus capital contributed by developers and others.

The remaining \$31 million of bonds of the authorized issue are expected to be sold to supplement current revenues and other funds as needs arise. No bond sales are expected to be made by the water system within the next year. Special District No. 1, the Water Pollution System, plans a bond sale of approximately \$10 million in early 1977. The bond proceeds will be utilized to repay temporary financing for construction of secondary treatment facilities, to finance the Special District No. 1 share of these facilities, and to finance sludge management facilities expansion.

Table 1 shows the annual bond service requirements for the District's \$25,000,000 Series J Bonds now being offered, assuming a 6¼% interest rate. Also shown in the table are the bond service requirements for the outstanding bonds and estimated total annual bond service upon issuance of the Series J Bonds.

The three aqueducts which transport water from Pardee Reservoir to the District



Bond Sales—Series A to H

Series	Principal Amount	Date of Sale	Maturity Dates	Net Interest Rate	Amount Outstanding Nov. 9, 1976
A	\$25,000,000	2/18/59	3/1/60-94	3.45%	\$ 13,100,000
B	30,000,000	8/24/60	9/1/61-95	3.30	16,400,000
C	30,000,000	1/ 9/62	2/1/63-97	3.31	18,100,000
D	33,000,000	11/14/62	12/1/63-92	2.92	18,700,000
E	30,000,000	11/20/63	12/1/64-93	3.28	18,000,000
F	20,000,000	3/ 9/66	4/1/67-96	3.78	13,350,000
G	12,000,000	8/10/71	5/1/72-91	5.26	9,000,000
H	16,000,000	5/14/74	6/1/75-94	5.54	14,400,000
					<u>\$121,050,000</u>

Table 1

EAST BAY MUNICIPAL UTILITY DISTRICT

Bond Service Requirements

Fiscal Year Ending June 30	Series J Bonds			Actual Outstanding Bond Service	Estimated Total Bond Service
	Interest Estimated @ 6¼ %	Principal Maturing Dec. 1	Total Bond Service		
1977	\$ 781,250①	\$ —	\$ 781,250	\$ 11,688,543	\$ 12,469,793
1978	1,562,500	—	1,562,500	10,742,530	12,305,030
1979	1,562,500	—	1,562,500	10,482,690	12,045,190
1980	1,562,500	—	1,562,500	10,223,325	11,785,825
1981	1,546,875	500,000	2,046,875	9,970,210	12,017,085
1982	1,503,906	875,000	2,378,906	9,724,945	12,103,851
1983	1,427,344	1,575,000	3,002,344	9,484,815	12,487,159
1984	1,328,906	1,575,000	2,903,906	9,242,735	12,146,641
1985	1,230,469	1,575,000	2,805,469	8,999,105	11,804,574
1986	1,132,031	1,575,000	2,707,031	8,753,525	11,460,556
1987	1,033,594	1,575,000	2,608,594	8,507,095	11,115,689
1988	935,156	1,575,000②	2,510,156	8,258,383	10,768,539
1989	836,719	1,575,000②	2,411,719	8,006,395	10,418,114
1990	738,281	1,575,000②	2,313,281	7,859,708	10,172,989
1991	639,844	1,575,000②	2,214,844	7,614,270	9,829,114
1992	541,406	1,575,000②	2,116,406	6,833,700	8,950,106
1993	442,969	1,575,000②	2,017,969	6,675,100	8,693,069
1994	344,531	1,575,000②	1,919,531	5,388,350	7,307,881
1995	246,094	1,575,000②	1,821,094	2,622,600	4,443,694
1996	147,656	1,575,000②	1,722,656	2,543,400	4,266,056
1997	49,219①	1,575,000②	1,624,219	918,000	2,542,219
	<u>\$19,593,750</u>	<u>\$25,000,000</u>	<u>\$44,593,750</u>	<u>\$164,539,424</u>	<u>\$209,133,174</u>

① Six months' interest.

② Callable on or after December 1, 1986.

FINANCIAL DATA

Sources of Funds

Principal sources of District revenue are water sales and property taxes. Other sources of revenue include interest, recreation and land use fees and rents, and sale of power generated at Pardee Dam.

In addition to its operating revenues, the District has important sources of funds which include contributions in aid of construction. These contributions consist primarily of installation charges for new services, fire hydrants, main extensions (or relocations), a \$200 per acre charge on property annexing to the District, and government grants.

Water Rates

The District's water rates remained unchanged from 1953 to November 1, 1969, when the first increase in rates in the District's history became effective. The new rates increased water revenues by approximately 24%, and were responsible for the reversal of a trend of declining revenue available for investment in the Water System in 1969/70.

A new schedule of water rates was put into effect April 1, 1973. The rate blocks were reduced from four to three blocks and the rate increases were implemented in two stages with the second increase on April 1, 1974. The rates now in effect are shown on this page.

Most water bills are on a two-month basis, and consist of a service charge and a charge for water. The typical residential bill for two months' service is \$11.32.

The philosophy underlying the District's rate structure has long been to recover the costs of providing service from those classes of customers giving rise to these costs. The proportion of funds derived from each source are being reviewed through a comprehensive Water Pricing and Consumption study to determine the impact of changing economic and social considerations within the District's service area. Primary emphasis is being placed on the rate structure employed in obtaining funds from water rates,

the major source of revenue. The relationship between water pricing and consumption is being reviewed for an insight into the efficiency with which water is being used. The impact of policy decisions regarding rates and charges on various classes of users can then be evaluated for financial soundness, equity and feasibility for both the District in carrying out its responsibilities and for its customers. It is expected that for future rate changes the rate structure adopted will be strongly influenced by the results of this study.

RATE SCHEDULE FOR TWO MONTHS' SERVICE Service Charges

Meter Size	Service Charge
5/8 and 3/4 inch	\$ 4.60
1 inch	6.80
1 1/2 inch	12.50
2 inch	18.00
Over 2 inch	Various

Water Delivery Charges

Cubic Feet	Charge Per 100 Cubic Feet*
First 8,000	24¢
Next 792,000	22
Over 800,000	18

*Inside District boundaries.

Tax Rates

The District levies ad valorem property taxes at rates fixed annually by the District Board of Directors. The primary purpose is to provide revenues for District services not directly related to water consumption, namely public fire protection.

The State Board of Equalization reports that for 1976/77 assessed valuations in Alameda County average 25.8% of market value, and in Contra Costa County 22.8%. (Public utility property in the District, other than water utility, is assessed by the State Board at 25% of estimated real value.)

Since 1967, adjustments have been made to allow for such differences in basis of assessment. As a result there are minor variations in the tax rates in the two counties from the basic rates shown in the table below.

District Tax Rates

Fiscal Year	Basic Tax Rate Per \$100 Assessed Valuation
1951/52	29 ¢
1952/53	27
1953/54	26
1954/55	25
1955/56-1966/67	20
1967/68	17
1968/69	16.3
1969/70-1974/75	15
1975/76	14
1976/77	13

Assessed Valuation and Tax Levies

Property assessed valuations are those established for county taxes by Alameda and Contra Costa Counties, and taxes are collected by county tax collectors at the same time and on the same bills as general county and school taxes.

The District contracts with Contra Costa County to receive 100% of the District secured levy in that county regardless of actual delinquency. Pursuant

to the Revenue and Taxation Code Sections 4701 et seq., Contra Costa County establishes a delinquency reserve and the county assumes responsibility for all secured delinquencies. The tax delinquency records applicable only to the District are not available. The delinquency rate for all of Contra Costa County as of June 30, 1976 was 1.87%. District levies and delinquencies (Alameda County) are shown below.

Taxation of the District

All property of the East Bay Municipal Utility District within the District's boundaries is exempt from property taxation. District-owned land outside of the District's boundaries is taxable but improvements constructed on that land by the District are not taxable. As a public agency, the District is exempt from the payment of State and Federal income taxes. Employees of the District are covered by Social Security.

Employees' Retirement System

Full-time employees of the District are members of the Employees' Retirement System, a contributory pension plan which provides retirement, disability and survivorship benefits. The District is required to have an actuarial valuation of the Retirement System at least every two years and an actuarial investigation into the mortality, service and compensation experience at least every four years. The actuarial investigation and valuation of the Retirement System at June 30, 1975 was completed on

Table 2
EAST BAY MUNICIPAL UTILITY DISTRICT
Assessed Valuations, Tax Levies and Delinquencies

	Fiscal Year				
	1971/72	1972/73	1973/74	1974/75	1975/76
Assessed valuations: ①					
In Alameda County ...	\$2,151,900,362	\$2,251,728,299	\$2,402,508,431	\$2,533,276,014	\$2,749,880,166
In Contra Costa County	1,030,226,992	1,102,002,796	1,190,311,475	1,354,553,672	1,541,484,665
Total District	\$3,182,127,354	\$3,353,731,095	\$3,592,819,906	\$3,887,829,686	\$4,291,364,831
Secured Levy: ②					
Contra Costa County ..	\$ 1,475,402	\$ 1,560,023	\$ 1,535,697	\$ 1,582,185	\$ 1,684,172
Alameda County	\$ 2,651,167	\$ 2,773,246	\$ 2,676,960	\$ 2,963,405	\$ 2,986,402
Delinquent June 30 ③ ..	\$ 43,071	\$ 48,348	\$ 49,704	\$ 66,563	\$ 52,201
Percent Delinquent ③ ..	1.62%	1.74%	1.86%	2.25%	1.75%

① Before deductions for business inventory and homeowners' exemptions, which are reimbursed by the state.

② Net basis. All exemptions excluded.

③ Alameda County only. Contra Costa County pays 100% of secured tax levy and assumes responsibility for delinquencies.

November 24, 1975. At that date, the Water System share of the unfunded actuarial liability amounted to \$24,460,418 which is being amortized over approximately a thirty-year period from the date of the actuarial evaluation. Further details of the Retirement System may be found in Note 3 on page 13 of this Official Statement.

Financial Statements

A five-year summary of revenue is given in Table 3. The District's audited statement of revenue and statement of changes in financial position for the fiscal years ended June 30, 1976 and 1975, together with year-end balance sheets, appear in Tables 4, 5 and 6.

Table 3
EAST BAY MUNICIPAL UTILITY DISTRICT
Summary of Revenue

Fiscal Year	1971/72	1972/73	1973/74	1974/75	1975/76
Operating revenue:					
Water	\$25,761,477	\$25,860,243	\$28,806,802	\$30,738,193	\$31,763,317
Power	416,434	471,645	683,524	631,801	369,751
Taxes, including state subven- tions	4,783,555	4,947,623	5,310,801	5,723,339	5,964,708
Total operating revenue	\$30,961,466	\$31,279,511	\$34,801,127	\$37,093,333	\$38,097,776
Operating expenses:					
Expenses except depreciation	\$12,697,224	\$13,789,988	\$15,134,177	\$17,358,690	\$19,125,625
Depreciation	7,126,575	7,293,005	7,475,635	8,002,294	8,218,301
Total operating expenses	\$19,823,799	\$21,082,993	\$22,609,812	\$25,360,984	\$27,343,926
	\$11,137,667	\$10,196,518	\$12,191,315	\$11,732,349	\$10,753,850
Add:					
Other revenue:					
Interest	\$ 933,682	\$ 920,997	\$ 1,180,143	\$ 2,005,580	\$ 1,024,372
Other, net	46,586	108,344	47,539	165,236	89,784
Total other revenue	\$ 980,268	\$ 1,029,341	\$ 1,227,682	\$ 2,170,816	\$ 1,114,156
Deduct:					
Interest expense:					
Interest and amortization of bond expenses	\$ 4,888,986	\$ 4,691,843	\$ 4,425,830	\$ 5,029,877	\$ 4,718,538
Less interest charged to construction	93,785	117,815	402,071	831,330	933,527
Total interest expense	\$ 4,795,201	\$ 4,574,028	\$ 4,023,759	\$ 4,198,547	\$ 3,785,011
Revenue invested in the Water System	\$ 7,322,734	\$ 6,651,831	\$ 9,395,238	\$ 9,704,618	\$ 8,082,995

Funds Available for Capital Additions and Changes in Working Capital (Exclusive of Bond Sales)

Revenue for the year, as above .	\$ 7,322,734	\$ 6,651,831	\$ 9,395,238	\$ 9,704,618	\$ 8,082,995
Add: Contributions in aid of construction	2,872,168	2,976,449	3,279,168	3,302,579	4,516,454
Depreciation and amortization ^①	7,348,251	7,524,700	7,800,829	8,410,227	8,571,390
Other	99,475	31,095	25,315	145,305	118,744
	\$17,642,628	\$17,184,075	\$20,500,550	\$21,562,729	\$21,289,583
Less: Matured bond principal . .	\$ 7,870,000	\$ 7,390,000	\$ 7,390,000	\$ 7,215,000	\$ 7,215,000
Balance available for capital ad- ditions and changes in work- ing capital (exclusive of bond sales)	\$ 9,772,628	\$ 9,794,075	\$13,110,550	\$14,347,729	\$14,074,583

^① Operating and non-operating property.

Table 4
EAST BAY MUNICIPAL UTILITY DISTRICT WATER SYSTEM Balance Sheet

	ASSETS	
	June 30	
	1976	1975
Property, plant and equipment (Note 1):		
Source of supply	\$ 34,276,636	\$ 34,137,006
Raw water transmission and storage	152,751,645	147,565,608
Treatment	23,677,748	20,832,695
Distribution	254,022,349	245,450,959
Other	27,865,691	20,411,522
	492,594,069	468,397,790
Less—Accumulated depreciation	132,432,199	124,713,346
	360,161,870	343,684,444
Land and rights of way	19,024,456	19,031,865
Construction in progress	20,846,900	24,376,535
	400,033,226	387,092,844
Water Development Project Bond Fund (Note 2)		
Cash and temporary cash investments		5,766,870
Bond Interest and Redemption Fund Cash and temporary cash investments ...	4,138,544	4,209,295
Notes and other long-term receivables, less portion included in current assets ..	162,495	148,626
Current assets:		
Cash and temporary cash investments	8,866,157	9,839,918
Customer and other accounts receivable, net of allowance for losses of \$85,723 and \$85,107	3,309,768	3,451,493
Materials and supplies (Note 1)	1,566,805	1,900,676
Prepaid insurance	285,164	74,273
	14,027,894	15,266,360
Deferred debits:		
Preliminary survey and investigation expenditures	974,783	826,759
Other	529,529	659,543
	1,504,312	1,486,302
	<u>\$419,866,471</u>	<u>\$413,970,297</u>
	LIABILITIES	
	June 30	
	1976	1975
Capitalization:		
Revenue invested in the Water System, per accompanying statement	\$217,006,779	\$208,923,784
Contributions in aid of construction	73,149,686	69,362,460
Long-term debt due serially through 1997 (Note 2):		
Maturing after one year	115,335,000	122,550,000
Maturing within one year	7,215,000	7,215,000
	122,550,000	129,765,000
Total capitalization	412,706,465	408,051,244
Current liabilities (excluding long-term debt maturing within one year):		
Accounts payable and accrued expenses	4,002,819	3,472,293
Accrued interest on long-term debt	959,794	1,030,545
Unremitted sewer service collections for municipalities	197,638	188,779
Customer and other deposits	206,530	175,725
Due to Water Pollution Control System	122,703	8,262
	5,489,484	4,875,604
Advances for construction	1,577,742	848,514
Deferred credits	92,780	194,935
	<u>\$419,866,471</u>	<u>\$413,970,297</u>

Table 5
EAST BAY MUNICIPAL UTILITY DISTRICT WATER SYSTEM
Statement of Revenue

	Year Ended June 30	
	1976	1975
Operating revenue:		
Water (Note 1)	\$ 31,763,317	\$ 30,738,193
Power	369,751	631,801
Taxes, including state subventions	5,964,708	5,723,339
Total operating revenue	38,097,776	37,093,333
Operating expenses:		
Hydroelectric power generation	185,165	205,898
Source of supply	552,090	435,669
Raw water transmission and storage	1,851,744	1,455,931
Recreation areas, net	413,996	449,482
Treatment	1,597,825	1,540,614
Distribution	6,206,339	5,740,907
Customer accounting and collecting	1,908,126	1,871,714
Administrative and general	4,143,393	3,619,588
Contributions to retirement system (Note 3)	1,670,358	1,470,090
Property taxes	596,589	568,797
Depreciation of property, plant and equipment (Note 1)	8,218,301	8,002,294
Total operating expenses	27,343,926	25,360,984
	10,753,850	11,732,349
Add:		
Other revenue:		
Interest earned on investments	1,024,372	2,005,580
Other, net	89,784	165,236
Total other revenue	1,114,156	2,170,816
Deduct:		
Interest expense (Note 2):		
Interest and amortization of bond expenses	4,718,538	5,029,877
Less interest charged to construction	933,527	831,330
Total interest expense	3,785,011	4,198,547
Revenue invested in the Water System:		
For the year	8,082,995	9,704,618
At beginning of year	208,923,784	199,219,166
At end of year	\$217,006,779	\$208,923,784

Table 6**EAST BAY MUNICIPAL UTILITY DISTRICT WATER SYSTEM****Statement of Changes in Financial Position**

	Year Ended June 30	
	1976	1975
Financial resources were provided by:		
Revenue invested in the Water System	\$ 8,082,995	\$ 9,704,618
Depreciation and amortization	8,571,390	8,410,227
Financial resources provided from operations	16,654,385	18,114,845
Other financial resources provided:		
Contributions and advances in aid of construction	4,516,454	3,302,579
Decrease in Water Development Project Bond Fund	5,766,870	8,852,722
Decrease in Bond Interest and Redemption Fund	70,751	71,668
Other	118,744	145,305
	<u>\$27,127,204</u>	<u>\$30,487,119</u>
Financial resources were used for:		
Additions to property, plant and equipment	\$21,502,712	\$19,291,520
Retirement of long-term debt	7,215,000	7,215,000
Working capital changes—increase (decrease):		
Cash and temporary cash investments	(973,761)	3,847,579
Customer and other accounts receivable	(141,725)	(23,320)
Other current assets	(122,980)	240,357
Accounts payable and accrued expenses	(530,526)	(556,592)
Other current liabilities	(83,354)	95,776
Other	261,838	376,799
	<u>\$27,127,204</u>	<u>\$30,487,119</u>

REPORT OF INDEPENDENT ACCOUNTANTS

Oakland, California
August 20, 1976

To the Board of Directors
East Bay Municipal Utility District

In our opinion, the accompanying balance sheets and the related statements of revenue and of changes in financial position appearing on pages 9 through 13 of this official statement present fairly the financial position of the East Bay Municipal Utility District, Water System, at June 30, 1976 and June 30, 1975, and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

PRICE WATERHOUSE & CO.

EAST BAY MUNICIPAL UTILITY DISTRICT WATER SYSTEM

Notes to Financial Statements

June 30, 1976 and 1975

NOTE 1—Summary of significant accounting policies:

The District's accounting policies conform to generally accepted accounting principles for water utilities. The accounts are maintained substantially in accordance with the Uniform System of Accounts for Water Utilities, a system which investor owned utilities are required to follow by the California Public Utilities Commission, although the District is not subject to regulations of the Commission.

Utility plant—at original cost

The cost of additions to utility plant and replacements of retired units of property is capitalized. Cost includes material, direct labor, transportation and such indirect items as engineering and supervision, employee fringe benefits and interest during construction on borrowed funds related to plant under construction. Repairs, maintenance and minor replacements of property are charged to expense. As mass plant property (distribution mains, hydrants, services and meters) are retired in the ordinary course of business the cost of the property plus removal cost, less salvage, is charged to accumulated depreciation. The depreciated cost of other property units plus removal cost, less salvage, is charged to expense upon retirement.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis using the estimated service lives of the related assets. Depreciation expense for the years ended June 30, 1976 and June 30, 1975 was \$8,562,330 and \$8,401,100, respectively. In the Statement of Revenue for 1976 and 1975, \$8,218,301 and \$8,002,294 of depreciation has been classified separately and the remaining \$344,029 and \$398,806, representing depreciation of transportation and construction equipment and of recreation and other facilities, has been charged to other accounts. These aggregate provisions were 1.81% and 1.83% of average depreciable plant for the years ended June 30, 1976 and June 30, 1975.

Materials and supplies inventories

Materials and supplies inventories are stated at average cost.

Revenue

Customer water meters are read on a cyclical basis throughout a monthly or bimonthly period; bills are rendered and revenue is recognized in the period that meters are read. The District does not accrue revenue for water distributed but not yet billed at the end of the fiscal year.

Employees' Retirement System

See Note 3 for policy relating to Employees' Retirement System.

NOTE 2—Long-term debt:

The bonds outstanding at June 30, 1976 bear annual interest and mature as follows:

Series	Fiscal Year Issued	Interest Rate	Principal Amount	Maturity	
				Fiscal Year	Annual Amounts
1928	1928	5.00%	\$ 650,000	1977	\$ 650,000
A	1959	3.25-3.50	13,100,000	1994	700,000-800,000
B	1961	1.50-3.40	17,250,000	1996	850,000-900,000
C	1962	2.00-3.50	18,100,000	1997	850,000-900,000
D	1963	2.00-3.10	18,700,000	1993	1,100,000
E	1964	2.00-4.00	18,000,000	1994	1,000,000
F	1966	3.60-3.80	13,350,000	1996	665,000-675,000
G	1971	4.50-6.50	9,000,000	1991	600,000
H	1974	5.00-7.00	14,400,000	1994	800,000
			<u>\$122,550,000</u>		
Maturing within one year			<u>7,215,000</u>		
Maturing after one year			<u>\$115,335,000</u>		

Series A through H are issues of the \$252,000,000 general obligation Water Development Project for East Bay Area Bonds authorized in June 1958, of which \$56,000,000 have not been issued through June 30, 1976. The proceeds are to be applied to the costs of acquisition, construction and completion of utility works. Unexpended proceeds of these bonds were segregated as the Water Development Project Bond Fund at June 30, 1975.

All issues of the general obligation bonds are callable at a premium generally ten to fifteen years after the dates of issue at the interest payment date, except for the 1928 bonds.

NOTE 3—Employees' Retirement System:

All regular full-time employees are members of the Employees' Retirement System. The Retirement System is a contributory pension plan which provides retirement, disability and survivorship benefits. The District's policy is to fund pension costs as accrued.

Total accruals under and contributions to the Retirement System by the Water System for the years ended June 30, 1976 and June 30, 1975 amounted to \$2,569,179 and \$2,259,139, respectively, including amortization of the unfunded actuarial liability over approximately a thirty-year period from the date of the most recent actuarial valuation. The majority of the contributions are classified separately in the Statement of Revenue and the remaining portion has principally been capitalized as part of utility plant.

During the year ended June 30, 1975 the plan was amended to make regular full-time employees members of the Retirement System upon employment, rather than after a six-month waiting period. Concurrently, the existing members were given the opportunity to obtain credit for the first six months service by making the appropriate contributions. During the year ended June 30, 1976 the plan was amended to provide increased benefits for most employees who retire before the mandatory retirement age, and certain actuarial assumptions were changed to reflect current experience. The amendments and changes resulted in an increase in pension costs of approximately 17% beginning in March 1976.

Based on an actuarial study of the Retirement System as of June 30, 1975 which gives effect to amendments and changes previously adopted, the actuarially computed value of Water System vested benefits for the plan exceeded its share of the net assets of the retirement fund at June 30, 1975 by approximately \$17,000,000. The District is required to have an actuarial valuation at least every two years.

Debt Statement

A statement of the District's direct and overlapping bonded indebtedness is presented in Table 7.

Table 7

EAST BAY MUNICIPAL UTILITY DISTRICT Statement of Direct and Overlapping Bonded Debt

1976 Population (Estimated)	1,028,800	
1976/77 Assessed Valuation—		
Secured Roll	\$4,032,833,169	
Utility Roll	225,051,230	
Unsecured Roll	507,787,587	
		\$ 4,765,671,986
Estimated Market Value		\$19,363,900,000 ^①
	Percent Applicable	Amount Applicable November 9, 1976
San Francisco Bay Area Rapid Transit District	42.759%	\$315,743,146
Alameda-Contra Costa Transit District—Special Service District No. 1 ...	89.054	4,185,538
Contra Costa County and Authorities	55.189	1,779,774
City of Oakland	100.	10,920,000
Other Cities	Various	28,011,891
Oakland Unified School District	100.	53,535,000
Peralta Junior College District	100.	37,070,000
South County Joint Junior College District	44.170	3,869,292
Other School Districts	Various	61,485,465
Special Districts	Various	63,224,122
East Bay Municipal Utility District—Special District No. 1	100.	20,400,000 ^②
East Bay Municipal Utility District	100.	146,700,000 ^③
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$746,924,228^④
Less Self-Supporting Debt:		
East Bay Municipal Utility District (100%)		146,700,000
City of Hayward (Water Bonds) (100%)		71,270
City of Oakland Airport Bonds (paid by Port of Oakland)		1,080,000
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT ..		\$599,072,958
	Ratio To	
	1976/77 Assessed Valuation	Estimated Market Value
1976/77 Assessed Valuation		Per Capita
Gross Direct Debt	3.08%	\$4,632
Net Direct Debt	.76%	143
Gross Total Debt	0	0
Net Total Debt	15.67	726
	12.57	582

① The State Board of Equalization reports that 1976/77 Alameda County assessed valuations average 25.8% of full value and Contra Costa County averages 22.8%. Public utility property of \$225,051,230 (\$155,172,580 in Alameda County and \$69,878,650 in Contra Costa County) is assessed at 25% of full value. Included in the District's 1976/77 assessed valuation is a total of \$538,660,335 (\$352,335,133 in Alameda County and \$186,325,202 in Contra Costa County) of State reimbursable exemptions for business inventories and homeowners exemptions.

② Includes \$7,800,000 of 1974 Bonds (Bond Anticipations) maturing May 15, 1977.

③ Includes \$25,000,000 to be sold November 9, 1976.

④ Excludes revenue bonds and District's share of lease-purchase obligations (\$8,656,078) and Oakland-Alameda County Coliseum Corporation (\$18,749,709).

WATER SUPPLY AND DISTRIBUTION

Water Facilities

The District's water supply is obtained from two sources: the flow of the Mokelumne River in the Sierra Nevada stored at Pardee Reservoir, and the runoff from local streams collected in terminal storage reservoirs. About 95% of the water supply is from the Mokelumne River. Pardee Reservoir has a storage capacity of 68 billion gallons. Power generated at the dam is sold at the powerhouse to Pacific Gas and Electric Company. Camanche Reservoir, located ten miles below Pardee, has a capacity of 140 billion gallons. It serves to control floods and to regulate the river flow in order to satisfy downstream water rights. The two reservoirs provide storage capacity sufficient for the District to divert fully its authorization of 325 million gallons per day from the Mokelumne River.

Water is transported 80 miles through three aqueducts from Pardee Reservoir to the District's service area, where it is stored in terminal reservoirs or delivered directly to filter plants prior to distribution. The aqueducts have a combined capacity of 325 million gallons per day with existing pumping facilities.

Five terminal reservoirs provide storage for 51 billion gallons. All water delivered by the District is filtered in one of its seven filter plants. The District maintains an extensive system of distribution tanks, reservoirs, pumping plants, and more than 3,200 miles of distribution mains.

Water Consumption

The East Bay Municipal Utility District is the second largest retail water distributor west of the Mississippi in number of customers. It is sole distributor in a 304-square mile area which includes most of the urban and suburban development in Alameda and Contra Costa Counties, and serves a population estimated at 1,028,800.

Of the District's present active accounts, 92% are residential and these are responsible for 56% of total metered consumption. Industrial accounts represent 0.6% of the active accounts and 22% of the metered consumption.

Gross water consumption in the 1975/76 fiscal year amounted to 80.4 billion gallons, or an average of 220 million gallons daily. This was the seventh consecutive year that annual consumption has exceeded 75 billion gallons, although water use appears to be leveling off. Annual water use increased by more than 43% in the ten years from 1960 to 1970. Water use in fiscal 1976 was the same as in fiscal 1970. The all-time peak daily consumption was 377 million gallons on July 14, 1972.

EAST BAY MUNICIPAL UTILITY DISTRICT

Gross Water Consumption (in millions of gallons)

Year	Total	Average Per Day
1959/60	56,060	153
1960/61	57,244	157
1961/62	59,050	162
1962/63	56,909	156
1963/64	61,531	168
1964/65	65,137	178
1965/66	69,533	191
1966/67	68,601	188
1967/68	74,429	203
1968/69	73,612	202
1969/70	80,245	220
1970/71	76,936	211
1971/72	79,795	218
1972/73	78,169	214
1973/74	76,679	210
1974/75	76,298	209
1975/76	80,418	220

1975/76 METERED WATER CONSUMPTION (By Type of Use)

	Average Active Accounts	Percent	Metered Consump- tion ^①	Percent
Residential .	278,519	91.9%	40,537	55.9%
Commercial .	20,052	6.6	9,097	12.5
Industrial ..	1,755	.6	15,687	21.6
Govern- mental and other .	2,890	.9	7,271	10.0
Total ..	303,216	100.0	72,592	100.0

① Millions of gallons.

The District's largest water users are Standard Oil Company of California, Union Oil Co., California and Hawaiian Sugar Co., U.S. Naval Air Station, Alameda, University of California at Berkeley and the Del Monte Corporation.

Water Resources

The East Bay Municipal Utility District has water rights to divert 325 mgd from its Mokelumne River Project. A small additional yield is derived from local watersheds in normal years. In Fiscal Year 1975-76, consumption averaged about 220 mgd. Water surplus to District needs is provided to several public agencies in the Mokelumne area and in San Joaquin County on an interim basis. Such water can be withdrawn for District purposes when required.

Although EBMUD has entitlements to 325 million gallons a day from the Mokelumne River, currently the firm yield is estimated to be about 308 million gallons daily because overdraft on the adjacent ground-water basin is causing increasing seepage from the river. If these conditions continue and unless this situation can be corrected, it is expected that the firm yield under drought conditions will continue to decline to about 300 million gallons a day by 1990. If the Folsom South Canal is not extended into Southern San Joaquin County to bring additional water to the Mokelumne River areas to replace the ground-water overdraft, EBMUD's firm yield could eventually go as low as 260 million gallons a day during a dry year.

The existing portion of the Folsom South Canal will be the source of future supplemental water for the East Bay. In 1970 the Utility District entered into a contract with the U. S. Bureau of Reclamation to buy up to 134 million gallons of water daily from

the Auburn-Folsom South Project. It is currently estimated that initial delivery of water will take place after 1990. The District's contract and proposed aqueduct system to convey the water to the East Bay are the subject of a lawsuit by the Environmental Defense Fund and others seeking a writ of mandate to have the District institute a waste-water reclamation project and to rescind its American River contract with the U.S.A. The lawsuit has been decided in the District's favor in the trial court but has been appealed to the State Supreme Court.

EBMUD is currently working with the Bureau, the State Department of Water Resources, and other prospective users of water from the Folsom South Canal and the American River to negotiate conditions under which the canal would be extended to San Joaquin County and the Auburn-Folsom South Project completed.

The average runoff of the Mokelumne River into the District's reservoir system is about 720,000 acre-feet per year (234,600 million gallons). The 1975-76 fiscal year has proved to be one of the driest years of record in the history of California. It is estimated that the inflow to the District's Mokelumne reservoir system was about 270,000 acre-feet (88,000 million gallons). Nonetheless, the District's supply will enable it to get through calendar 1976 while meeting its current demands. At the end of 1976, about 40 per cent of storage capacity will be retained in the District's Mokelumne River reservoir system. If the winter of 1976-77 proves to be as dry as the current year, the District could still provide its normal water requirements but its storage would be essentially depleted by the end of the year. It is probable that under such circumstances, the District would institute mandatory conservation measures to provide for the contingency of a third dry year.

During the past year, the District's voluntary Water Conservation Program was accelerated. The program involves education of consumers and tightened operations by District personnel in a broad program. Public Information activities included a wide variety of mass media and person-to-person communication methods encouraging a water conscience among users.

District water line leak detection activity continued and late in 1975 was escalated from two teams in the field to three in order to expedite the location and repair of leaks. Over a 2½-year period of the program, approximately 5 million gallons per day of leakage have been discovered and corrected. Other



Pardee Reservoir, primary source of the District's water supply, has a storage capacity of 68 billion gallons.

District activity involved reduced amounts of water used to flush water mains and participation in the design of a model garden at Sobrante Filter Plant, incorporating low-water-using ornamental plants and trees.

At the end of the fiscal year the Board of Directors authorized a pilot program of distribution to the public of water conservation kits including toilet tank water dams, plastic orifices for restricting flow from shower heads and dye tablets to assist customers in locating toilet leaks.

A widely accepted elementary school level water conservation course outline program was implemented. Unusually heavy response by educators indicated the excellent results this long-term educational project is having with children in over 200 schools within District boundaries. This information was shared with other agencies to help them during this drought year.

District employees from the Business Offices and the Operations Department found ready acceptance, in most cases, of the contact program to visit top executives in industry and commerce to encourage specific water conservation practices within their businesses.

The Sobrante Reclamation Facility was placed in service in March 1975, and accounted for recovery of washwater from the filter plant operations which had been previously discharged to San Pablo Creek.

With water conservation methods such as these against a background of established, long-term planning to meet community needs, it is expected that the Utility District's system can meet its water requirements during a drought as severe as has occurred within the District in recorded history.

Employee Relations

The District and two locals of the American Federation of State, County and Municipal Employees, which represent the majority of employees exclusive of management, have entered into Memorandums of Understanding, the most recent of which became effective May 1, 1976 and expire April 30, 1978. The agreements are comprehensive in scope and include grievance resolution provisions ending in advisory arbitration.

On only two occasions, in 1969 and 1974, has the District experienced a work stoppage by its employees, and in each case supervisory personnel operated and maintained essential services.

Annexations, Ultimate Service Area and Sphere of Influence

Originally formed to include nine cities of 92.6 square miles, the East Bay Municipal Utility District has grown by annexation to an area at present of 304 square miles of both incorporated and unincorporated territory.

The District has approved more than 400 separate annexations, both as District annexations of unincorporated territory, and as annexations to cities within the District. Annexed territory is required either to contribute a local distribution system, or to provide funds to finance one, and to pay an annexation fee of \$200 per acre.

On the basis of studies by the District's staff and consultations with other governmental and water supply agencies, the District plans ultimately to serve an area bounded generally on the south by the City of Hayward and the Alameda County Flood Control and Water Conservation District, Zone 7, and on the east by the service areas of the Contra Costa County Water District and the City of Martinez. These agencies have sources of supply independent of the District's.

As required by State Law, the Contra Costa County Local Agency Formation Commission (LAFC) in 1975 established the sphere of influence for the District. In effect, the LAFC has identified those lands in the County which may be annexed and provided water service. The major part of the unannexed lands within the District's ultimate service area in Contra Costa County was excluded from the District's sphere of influence, but on request of the District, individual parcels may be reviewed and re-included in the District's sphere of influence by LAFC. In addition the LAFC is required to periodically review and update its determination.

The Alameda County Local Agency Formation Commission has not yet determined the District's sphere of influence in Alameda County.

Financial Planning

The Finance Department prepares, on a semi-annual basis, a five-year forecast of the District's financial requirements. This is based on projections of construction requirements, which are prepared semiannually by the Engineering Department, as well as on projections of revenues and expenses. These forecasts provide the basis for financial planning with respect to water rates, capital contributions and borrowing.

Seismic Safety Measures

The District has initiated a number of actions which, in the event of damage by movement and ground shaking, are intended to minimize seismic damage and to maximize recovery of its water facilities in order to fight fires and to maintain at least minimum water service.

Four broad lines of action have been pursued:

1. To preplan and organize for a strong and ready internal repair capability.
2. To make immediate relatively low cost, high potential benefit, operational preparations or modifications to existing facilities.
3. To improve planning data base and design standards to reflect latest seismic experience.
4. To review seismic adequacy of existing critical operating facilities on a priority basis with seismic strengthening undertaken or planned as needs are identified.

The fourth action area has resulted in engineering and construction projects completed or underway exceeding \$36 million, including the Upper San Leandro Dam, San Pablo Dam, and Chabot Dam Modifications projects listed in the Construction Program.

Construction Program

As a part of its continuing program to provide a reliable source of high-quality water to its growing number of customers, the District carries on construction projects in anticipation of needed facilities.

Among the construction projects are the continuation of work on the modifications to the Upper San Leandro Dam, modification of Chabot Dam and spillway, construction of San Pablo/Sobrante Aqueduct and Pumping Plant, and Reclamation Facilities at Upper San Leandro, San Pablo and Lafayette Filter Plants.

Proceeds of the present Series J Bonds will be utilized for the continuation of work on major projects and other construction as shown in the following summary.

EAST BAY MUNICIPAL UTILITY DISTRICT

Application of Series J Bond Proceeds

Project Completions

Upper San Leandro Dam Modifications	\$ 8,500,000
Fluoridation Facilities	850,000
Walnut Creek Filter Plant—Reclamation Facility	150,000
Subtotal	\$ 9,500,000

New Construction

San Pablo/Sobrante Aqueduct	\$ 3,100,000
San Pablo/Sobrante Pumping Plant	1,900,000
San Pablo Dewatering Facilities ...	500,000
Orinda Recovery Pool	950,000
Subtotal—San Pablo Dam Modifications	\$ 6,450,000①
San Pablo Filter Plant—Reclamation Facility	\$ 1,400,000
Lafayette Filter Plant—Reclamation Facility	1,600,000
Upper San Leandro Filter Plant—Reclamation Facility	2,350,000
Filter Plant Feed Equipment	450,000
Subtotal—Filter Plants	\$ 5,800,000
Chabot Dam and Spillway Modifications	\$ 3,000,000
Water Quality Control Laboratory .	250,000
Total (Series J Bond Issue)	\$25,000,000②

① Remaining estimated costs of \$9,000,000 to be financed from subsequent bond issue in 1979.

② Includes engineering, contingencies, and escalation.

ALAMEDA AND CONTRA COSTA COUNTIES

The East Bay Municipal Utility District includes most of the urban and suburban areas in Alameda and Contra Costa Counties. These counties compose an area generally referred to as the East Bay.

Alameda County, with a present estimated population of 1,088,200, covers a total area of 820 square miles and extends some 35 miles eastward from San Francisco Bay through the rolling hills to the San Joaquin Valley. It was formed in 1853 from portions of Contra Costa and Santa Clara Counties. Along the Bay is a complex of contiguous cities with numerous industrial plants, waterfront terminals, financial institutions, trade and service centers, and extensive residential areas.

The City of Alameda, located across the deep water estuary from the City of Oakland, is an island community with a population of 71,900. One of the largest employers in the East Bay is the Alameda Naval Air Station, a permanent installation for aircraft maintenance and overhaul and a primary aviation supply center, which employs over 8,000 civilians and has a military complement of 5,000.

Albany, known primarily as a city of homes, is the location of the Western Regional Research Center—U. S. Department of Agriculture, the largest research facility for agriculture in the western states. To the east are the Berkeley Hills, noted for gracious homes and recreational areas. Albany has approximately 14,050 residents.

Berkeley is internationally famous as the home of the nine-campus University of California. Approximately 20 percent of the city's 107,500 residents are associated with the University. Complementing the primarily residential complexion are recreational facilities such as the 2,065-acre Tilden Regional Park and a well-developed industrial area.

Located just north of Oakland along the Bay is the city of industry, Emeryville. Although the city is

a working place for over 20,000 people, the residential community amounts to slightly over 4,100 persons. Emeryville's industrial firms pay approximately 90 percent of the city's taxes. Within the past six years an extensive commercial complex has been built along the shore of the Bay west of I-80. This includes apartment buildings, office buildings, quality restaurants, and a Holiday Inn.

Oakland, California's sixth largest city with 333,000 residents, lies at the hub of the nine Bay Region counties. It is the county seat and largest city in the District. Oakland is the headquarters and principal transfer point for Bay Area Rapid Transit (BART).

Functionally, Oakland is changing from an industrial orientation to increasing importance as a commercial center. Major office buildings have been developed along the Lake Merritt area. Kaiser Center and the Ordway Building of Kaiser Industries Corp., are examples. Impressive redevelopment programs such as Acorn, Oak Center, and City Center not only provide new jobs and additional taxes but enhance the beauty of the city. With completion of the 24-story Clorox Building in April 1976, the \$200 million City Center project now has 700,000 square feet of Class A office space. A BART sub-level entrance serves the project. Slated for completion this year is a 1,100-car parking garage on two levels, all underground.

The \$30 million, 53,000-seat Oakland/Alameda County Coliseum sports complex, home of several major league professional teams, the \$7 million Oakland Museum and the famed Jack London Square are examples of progressive planning. Linked to the City of San Francisco by the San Francisco-Oakland Bay Bridge, Oakland is the western terminus of three transcontinental railways, a major world port, a focal point of the state's freeway system and a principal gateway for domestic and international airline services.

Piedmont is primarily a residential community. Incorporated in the early 1900's, the city has a population of 10,300. The economy of the city is based on the high personal income of its residents. Median family income was in excess of \$20,000 at the time of the 1970 census, compared with a countywide figure of \$11,133.

The City of San Leandro lies southeast of Oakland. With a population of over 67,000, San Leandro has a diversity of industry and residential areas. Many of Fortune Magazine's 500 companies have plants in the city. A community-conscious citizenry has created a new civic center complex, a community library center, and a multimillion-dollar marina complex.

Contra Costa County, one of the 27 original counties of California, is also one of the most diversified. It covers 802 square miles of land and water north and east of Alameda County. Population as of January 1976 was estimated at 586,900. The county fronts on San Francisco, San Pablo, and Suisun Bays, Carquinez Strait and the San Joaquin River, with more than 70 miles of shoreline accessible to ocean transport. It is ideally situated for light and heavy industry.

The City of El Cerrito lies north of Berkeley. The city is residential in character with a limited area developed for commercial purposes. Although there

are no large industrial plants within the city limits, major industrial activity is located in nearby Richmond. Many professional and academic persons reside in the city limits. The State Department of Finance estimates population of the city at 22,800.

Richmond, with approximately 70,000 residents, has broadened its economic base in recent years. Once known principally for industry, it is now an important administrative, distribution and trade center as well. Lying on peninsula land which separates San Francisco and San Pablo Bays, Richmond is a major oil distribution and refining point. Standard Oil of California has its largest refinery at Richmond.

The City of San Pablo, located immediately north of Richmond, was incorporated in 1948 and has a population of 19,050. The city's Redevelopment Agency is overseeing the construction of a new Community Center and other improvements in the downtown area.

The City of Lafayette, situated in central Contra Costa County, is principally a residential area of 19,500 inhabitants. It is within a short commuting distance of the major employment centers of the East Bay and San Francisco, and has a BART station.

Five miles south of Lafayette is the Town of Moraga, newest (1974) incorporated area in the county. Moraga is the home of St. Mary's College and has an estimated 14,750 residents. The median

Oakland/Alameda County Coliseum Complex



household income is in excess of \$25,000, making it the community with the second highest household income in the county, according to the 1975 special census by the County Planning Department. The neighboring unincorporated community of Orinda, also located within the District, leads the county with a 1975 median household income of \$27,078.

Walnut Creek is a well-established residential area of Central Contra Costa County. It is also becoming a business and research center as service and light manufacturing industries increasingly locate in and near Walnut Creek. From a population in 1960 of 9,900, the city has grown to over 47,000 in 1976.

EBMUD serves more than 61 percent of the city's population.

The two East Bay counties enjoy a strong industrial base, an advancing commercial, regional office, and services industry growth, pleasant residential areas and well-developed community facilities. The San Francisco Bay Area Rapid Transit System, operational in Alameda, Contra Costa and San Francisco Counties, provides a high-speed link between East Bay cities and San Francisco, fostering continued steady growth throughout the District. The tabulation below shows the population and assessed valuation of areas served by the District in Alameda and Contra Costa counties.

EAST BAY MUNICIPAL UTILITY DISTRICT

Population and Assessed Valuation of Areas Served

	Population		1976/77 Assessed Valuation
	1970 Census	1976 Estimate ^②	
Alameda County:			
Alameda	70,968	71,900	\$ 232,570,493
Albany	14,674	14,050	55,652,707
Berkeley	116,716	107,500	405,440,007
Emeryville	2,681	4,100	82,625,077
Oakland	361,561	333,100	1,356,825,433
Piedmont	10,917	10,300	69,195,036
San Leandro	68,698	67,400	450,900,867
Unincorporated	109,681 ^①	99,050 ^①	347,685,595 ^③
Subtotal	755,896	707,400	\$3,000,895,215
Contra Costa County:			
El Cerrito	25,190	22,800	\$ 90,794,582
Lafayette	20,484	19,500	114,175,586
Moraga	—	14,750	77,068,742
Pinole-Hercules	16,102	15,520	61,552,053
Richmond	79,043	70,100	486,436,919
San Pablo	21,461	19,050	46,290,726
Walnut Creek	24,420	28,900	279,024,213
Unincorporated	124,613 ^①	130,780 ^①	609,433,950 ^④
Subtotal	311,313	321,400	\$1,764,776,771
Total in EBMUD	1,067,209	1,028,800	\$4,765,671,986
Alameda County	1,071,446	1,088,200	\$4,636,376,168
Contra Costa County	555,855	586,900	\$3,197,684,666

① Estimated.

② January 1 estimate by State Department of Finance.

③ Includes \$10,494,422 in Hayward.

④ Includes \$17,404,784 in Pleasant Hill.

Employment

Nearly one-third of all jobs in the five-county San Francisco-Oakland Metropolitan Area are found in Alameda County. Principal sources of employment in the county are government, trade, manufacturing, and services, in that order. Lines of the Bay Area Rapid Transit District started serving the southern part of the county in 1972, with service as far south as Fremont, and this has resulted in substantially increased employment gains in that area.

The Oakland Labor Market, including the neighboring cities of Emeryville and San Leandro, has traditionally been the industrial heart of the San Francisco-Oakland Metropolitan Area. The City of Oakland has also developed into a major financial, commercial, and governmental center. There is an increasing service sector employment, with some relocation of manufacturing to the southern part of the county, although manufacturing payrolls remain very important in terms of total employment.

The Berkeley Labor Market is strongly influenced by the home campus of the University of California. Research firms and technologically-oriented light industry, attracted by the University's famed faculty and facilities, add to professional employment in the area, supplementing the general industrial base of the city.

Contra Costa County has been the second fastest growing Bay Area county with an employment increase of 12.5 percent between 1970 and 1974, compared with 5.5 percent for the Bay Area. Rapid

population increases have resulted in substantial gains in trade and services, which are second and third, respectively, as employment sources. Government payrolls are first in importance, with manufacturing in fourth place.

The Richmond Labor Market includes Richmond, Kensington, El Cerrito, and San Pablo. Major employment has historically been provided by petroleum refining, primary and fabricated metals production, chemicals, food processing, and ship repair. New major construction projects in Richmond add significantly to government and trade employment in the area.

In 1975 a six-story regional Social Security Administration Payment Center opened in Richmond. The facility serves 14 states and employs an estimated 2,000 persons. Early in 1976 the U.S. Postal Service dedicated a \$40 million regional bulk mail handling center in Richmond, with initial employment of 600. In August 1976 a \$60 million regional shopping center opened for business in Richmond. The developer estimates that 3,000 permanent employees will be required to operate this commercial complex, which will have over 100 retail and service establishments at full development. Three major department stores are now open.

The accompanying table shows the distribution of employment for the two East Bay counties. Major manufacturing and non-manufacturing employers are listed on pages 24 and 25.

EAST BAY COUNTIES EMPLOYMENT DISTRIBUTION Nonagricultural Wage and Salary Workers

Industry	Alameda County		Contra Costa County	
	June 1975	June 1976	June 1975	June 1976
Construction	18,300	18,900	8,900	9,300
Manufacturing—Durables	48,800	49,300	10,600	10,500
Manufacturing—Nondurables	29,900	30,100	14,500	14,700
Transportation, Utilities	31,300	31,000	9,800	9,800
Trade—Wholesale	26,000	26,700	5,800	6,400
Trade—Retail	68,400	69,100	30,200	31,100
Finance, Insurance, Real Estate	21,900	22,500	6,400	6,500
Services	74,800	76,300	26,900	27,600
Government	108,600	108,600	36,000	38,900
Other	1,000	1,000	200	200
Total	429,000	433,500	149,300	155,000

Source: California Employment Development Department.

Alameda County and Contra Costa County form part of the five-county San Francisco-Oakland Labor Market Area. As of May 1976, total wage and salary workers in nonagricultural establishments for this metropolitan area numbered 1,322,400, compared with 1,318,300 the previous May. Trade, government, services, and manufacturing were the principal employment groups, with services gaining 5,700 workers during the year. The seasonally adjusted unemployment rate was 11.4 percent, compared with 11.6 percent in May 1975.

Industry and Commerce

Manufacturing activity in Alameda County is very diversified. Transportation equipment (largely motor vehicles) ranks first in payrolls, followed by food processing, fabricated metal products, nonelectrical machinery, and stone-clay-glass products. More than forty of the nation's billion-dollar industrial concerns have plants, warehouses, and subsidiaries in the county.

Military installations in Alameda County employ many civilian personnel. The U.S. Navy employs over 12,000 at the Naval Air Station, Alameda, the Naval Supply Center, Oakland, and the Naval Regional Medical Center in Oakland. The latter is the site of Oak Knoll Naval Hospital, one of the Navy's principal medical care facilities. The U.S. Army employs 2,400 at the Oakland Army Base, which houses the Military Ocean Terminal, the Military Traffic Management Command, and the Navy's Public Works Center.

One of the principal attractions for industry in the Oakland area is the Port of Oakland, largest containership port on the West Coast. The Port has expanded beyond the waterfront acreage that was the basis of its growth in containerization. In 1975 development of 85 acres at Middle Harbor Terminal accommodated Seatrain, Inc., United States Lines, American President Lines, and Marine Terminals Corporation. In May 1975 the Port sold \$18 million of revenue bonds to develop 35 acres at Outer Harbor Container Terminal to house a consortium of

MAJOR EMPLOYERS IN CONTRA COSTA COUNTY

Name of Firm	Type of Business	Employees
Contra Costa County	Government	6,000
Longs Drug Stores, Inc.	Retailer	3,300
Richmond Unified School District	Education	3,100
U. S. Steel Corp.	Metals	3,000
Sun Valley Shopping Center	Retail sales	3,000
Standard Oil Co. of California	Petrochemicals	2,700
Naval Weapons Station	U. S. Navy	2,500
Veterans Administration Hospital	Hospital	2,240
Syston-Donner Corp.	Electronic instruments	1,900
Gordon H. Ball, Inc. (Subsidiary of Dillingham Corp.)	Heavy construction	1,750
Fry's Food Stores	Food products distribution	1,700
California & Hawaiian Sugar Co.	Sugar refining	1,500
Contra Costa Community College District	Education	1,300
United Grocers, Ltd.	Wholesale grocery co-op	1,300
Standard Oil Co. of California	Credit card center	1,300
Safeway Stores, Inc.	Food products distribution	1,250
Shell Oil Company	Petrochemicals	1,100
Chevron Research Co. (Subsidiary of Standard Oil Co.)	Research and development	1,070
City of Concord	Municipal government	1,000
Phillips Petroleum Co.	Petrochemicals	900
Bethlehem Steel Corp.	Metals	800
Brookside Hospital	Medical services	775
Union Oil Co.	Petrochemicals	700
Dow Chemical Co.	Chemicals	660
City of Richmond	Municipal government	650
Pacific Gas & Electric Co.	Utility service	600
American Bridge (Division of U. S. Steel Corp.)	Structural steel	500
Chevron Chemical Co.	Chemicals	500
Willamette Iron & Steel	Ship repair and conversion	500
Beckman Instruments, Inc.	Electronic instruments	450
Stauffer Chemical Co.	Chemicals	430
Santa Fe Railway Co.	Transportation	430

Sources: Contra Costa County Development Association and Bay Area Employer Directory.

MAJOR EMPLOYERS IN ALAMEDA COUNTY

Name of Firm	Type of Business	Employees
Manufacturing:		
General Motors Corporation	Automobiles	5,700
Kaiser Affiliated Companies	Manufacturing, engineering, broadcasting and other	5,200
The Rucker Company	Electronic, hydraulic and computer control system	2,100
Owens-Illinois, Inc.	Glass and corrugated shipping containers	2,040
Peterbilt Motors Co.	Heavy duty motor trucks	1,700
Caterpillar Tractor Co.	Fuel injection equipment	1,640
Western Electric Co.	Communications equipment	1,510
Diablo Systems, Inc., Subsidiary of Xerox Corp.)	Computer equipment manufacturer	1,300
Del Monte Corporation	Food packing	1,232-4,150
General Electric Company	Electrical apparatus	1,220-1,370
Oakland Tribune	Newspaper	1,200-1,250
International Harvester	Agricultural and industrial equipment	1,100
Sandia Laboratories, Sandia Corp.	Nuclear research and development	1,100
P.I.E. (Subsidiary of International Utilities)	Motor carrier	1,000
Pacific States Steel Corp.	Metal products	800-1,100
Hunt-Wesson Foods, Inc.	Food processing	700-3,000
Non-Manufacturing:		
University of California, including Lawrence Radiation Laboratories at Berkeley and Livermore	Education, AEC laboratories	16,000
Alameda County	Government	9,000
Alameda Naval Air Station	Air station, overhaul and repair	8,000
Oakland Unified School District	Education	6,400
Mervyn's	Department store	5,000
Jack London Square	Retail and service establishments	5,000①
Montgomery Ward & Co.	Retail stores	4,700-5,400
Pacific Telephone Co.	Utility service	4,500-5,000
U. S. Post Office	Mail service	4,000
Oakland Army Terminal	Military supplies	2,400
Pacific Gas & Electric Co.	Gas and electric service	3,600-3,735
Southern Pacific Co.	Rail and motor transportation	3,500
City of Oakland	Municipal government	3,500
Naval Supply Center	U. S. Navy supply center	3,000
Fremont Unified School District	Education	2,400
Safeway Stores, Inc.	Food products distribution	2,100
World Airways, Inc.	Transportation	2,000
Hayward Unified School District	Education	2,000
Bay Area Rapid Transit District	Public transportation	1,874
AC Transit District	Public transportation	1,825
Berkeley Unified School District	Education	1,800
Yellow Cab Co. of Alameda County	Taxi service	1,800
Naval Medical Center	U. S. Naval hospital	1,700
Blue Cross of Northern California	Health insurance	1,600
Capwell's	Department store	1,585-1,695
Burns International Security Service, Inc.	Security	1,500
City of Berkeley	Municipal government	1,500
Calif. State University, Hayward	Education	1,400
Kaiser Foundation Hospital	Hospital	1,400
Lucky Stores, Inc.	Food products distribution	1,280
State Dept. of Public Health	Medical services	1,200
Alameda Unified School District	Education	1,170
Payless Drug Stores	Retailer	1,140
Fremont Unified School District	Education	1,100
Bank of America N.T. & S.A.	Finance	1,100-1,200
East Bay Municipal Utility District	Utility service	1,076
Sears, Roebuck & Co.	Department store	1,060-1,200
Peralta Community College District	Education	1,050

① Direct and indirect employment.

Sources: Oakland Chamber of Commerce and Bay Area Employer Directory.



City of Oakland with San Francisco in background

four Japanese shiplines operating container ships. The Port operates Oakland International Airport, and is also the developer of a garden-type industrial park, and a commercial complex at Jack London Square.

Contra Costa County offers industry 70 miles of shoreline accessible to ocean transport. Among its more than 450 manufacturing plants, the industrial sector is dominated by petroleum, chemicals, and metal products, the vast majority of which are dependent upon the county's deep water ports for the shipping and receiving of goods.

As previously noted, research and development firms and producers of sophisticated products with a high technological content are locating in areas adjacent to Berkeley and in the central part of Contra Costa County. This trend is attributable in large part to the vast resources of the University of California at Berkeley, as well as its ability to attract technical manpower to the area.

Two of the nation's largest canners, Del Monte Corporation and Hunt-Wesson Foods, are located in the East Bay. Del Monte operates two canning plants and a can manufacturing plant in Oakland, a cannery in Emeryville, a distribution center in Alameda, California Division Headquarters in Berkeley, an agricultural research center in San Leandro, a science research center in Walnut Creek, and a label printing plant in Oakland. These facilities are operated by a year-round staff of 800 and up to 4,500 during the peak canning season.

The East Bay is a major wholesale and distribution center for northern California and much of the western United States. Nearly all the leading

wholesale grocery houses serving the northern part of the state are located in the East Bay. United Grocers serves 1,600 stores from its Richmond facilities. Safeway Stores operates major food production, packaging, and distribution facilities at Richmond. Other large food distributors in the area include Fleming Foods, Associated Food Stores, Alpha Beta, and Lucky Stores.

Downtown Oakland is the principal retail hub in the East Bay. Serving central Alameda County is Bay Fair, a major regional shopping center in San Leandro. In western Contra Costa County is the new \$60 million Hilltop Shopping Center, opened in August 1976 at Richmond. Located in the northeastern part of the city, adjacent to Interstate 80, this major commercial complex features three anchor tenants—Macy's, J. C. Penney Company, and Capwell's. Plans have been announced for more than 100 satellite retail and service establishments.

Taxable sales transactions for 1975 approached \$3.7 billion in Alameda County, and totaled over \$1.8 billion in Contra Costa County, according to the State Board of Equalization. In the four years 1972-75, increases in taxable sales transactions ranged from 16.6 percent in the mature community of Oakland to 47.5 percent in the rapidly growing community of Walnut Creek, in central Contra Costa County. Throughout Contra Costa County as a whole, there was a gain of 52.3 percent during this period.

The following tabulation shows growth in taxable sales for Berkeley, Oakland, Richmond, Walnut Creek, Alameda County and Contra Costa County over the 1972-75 period as reported by the State Board of Equalization.

TAXABLE SALES TRANSACTIONS FOR THE EAST BAY (in thousands) ^①

Area	1972	1973	1974	1975
Berkeley	\$ 241,505	\$ 265,610	\$ 292,233	\$ 310,426
Oakland	1,025,425	1,103,997	1,192,123	1,195,206
Richmond	180,514	219,781	242,684	216,290
Walnut Creek	153,150	177,238	200,551	225,827
Alameda County	2,876,132	3,227,276	3,544,533	3,689,668
Contra Costa County	1,196,939	1,413,873	1,644,650	1,823,174

^① Nontaxable items include food for home consumption, prescription drugs, and certain other items. Gasoline for highway use became taxable July 1, 1972.

Personal Income and Housing

Personal income for Alameda County residents totaled over \$6.1 billion in 1973 (most recent data available), and residents of Contra Costa County realized more than \$3.4 billion, according to studies by the U.S. Department of Commerce.

The tabulation below is a summary of gross income sources in the two counties. Wages and salaries

represent the largest single income source in both counties. This segment is proportionately much larger in Alameda County, accounting for over two-thirds of gross income. Property income ranks second in both counties, although it is a more important income source in Contra Costa than in Alameda County.

SOURCES OF PERSONAL INCOME*

EAST BAY COUNTIES

(Thousands of Dollars)

	Alameda County		Contra Costa County	
	Amount	%	Amount	%
Wages and salaries	\$4,455,251	67.0%	\$1,396,611	56.0%
Other labor income	245,811	3.7	99,428	4.0
Proprietors' income	333,788	5.0	178,116	7.1
Property income	852,806	12.8	476,585	19.1
Transfer payments	767,115	11.5	345,265	13.8
Total	\$6,654,771	100.0	\$2,496,005	100.0

*Gross income only. Does not include contributions for social insurance or residence adjustment. Calendar year 1973.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The 1970 Census of Housing reported 379,766 housing units in Alameda County. About 61 percent were single family dwellings and 46 percent owner-occupied, with a median value of \$23,700. Since 1970, approximately 50,000 units have been built in the county. Approximately half have been single family homes. The average permit value for single units in 1975 was \$42,132, exclusive of land.

In Contra Costa County, the 1970 Census reported 178,384 housing units, of which nearly 78 percent were single homes and over 61 percent were owner-occupied homes with a median value of \$25,700. Approximately 45,000 housing units have been built in the county since 1970. Of this number, nearly 59 percent were single family structures. In 1975 the average permit value for new single homes was \$35,561. Statewide, the average single home permit for 1975 was valued at \$35,290, not including land.

Construction Activity

Building officials in Alameda County issued construction permits valued at nearly \$1.6 billion during the five years ending in 1975, while Contra Costa

authorities awarded permits with an aggregate value of about \$1.2 billion during the same period.

In Alameda County, residential permits normally account for about 60 percent of total valuation. Residential permit valuation in Contra Costa County generally runs about 70 percent of total permit valuation. In both counties, single family homes form the bulk of dollar volume in the residential category.

The total values of building permits by individual years since 1971 for the two East Bay counties and the principal cities of the District are summarized on the following page.

An analysis of building permit activity by major category for the year 1975 is presented in an accompanying tabulation.

Permit values for new commercial construction in Contra Costa County were unusually high during the year because of the Hilltop Shopping Center, a large regional commercial complex in Richmond previously mentioned. The three anchor tenants—Macy's, J. C. Penney Company, and Capwell's—were issued building permits valued in excess of \$22 million for this development in 1975.

Chevron Land Company, owners of the land on which the Hilltop complex is located, has announced plans to build 500 acres of offices, apartments, parks, motels, and restaurants adjacent to the shopping center.

A listing of large building permits issued in the first half of 1976 for the EBMUD service area appears on page 30. The largest is a permit to the City of Oakland in the amount of \$6,722,936 for parking garages at the City Center Project.

EAST BAY CONSTRUCTION ACTIVITY

VALUE OF BUILDING PERMITS

(\$000 omitted)

	1971	1972	1973	1974	1975
Alameda	\$ 11,957	\$ 26,949	\$ 8,620	\$ 7,610	\$ 8,857
Berkeley	11,848	21,054	8,238	11,616	12,908
Oakland	77,583	68,137	64,483	57,845	57,286
San Leandro	22,656	18,950	24,978	21,875	14,018
Richmond	13,212	8,908	19,073	13,863	32,747
Walnut Creek	43,948	41,244	29,208	36,151	17,681
Alameda County	388,897	352,519	311,567	264,355	263,884
Contra Costa County	244,150	261,475	249,689	208,403	234,672

Source: "California Construction Trends," Security Pacific Bank.

DISTRIBUTION OF BUILDING PERMIT VALUATION

FOR THE EAST BAY IN 1975

(000 omitted)

	Alameda County		Contra Costa County	
	Total	% of Total	Total	% of Total
Single dwelling residential	\$111,861	42.4%	\$135,027	57.5%
Multi-dwelling residential	17,127	6.5	9,500	4.0
Other residential (alterations, additions)	32,843	12.5	14,346	6.1
New commercial	38,322	14.5	40,518	17.3
New industrial	18,764	7.1	8,636	3.7
Other commercial and industrial (public buildings, additions)	44,967	17.0	26,645	11.4
Total Valuation	\$263,884	100.0	\$234,672	100.0
Number of new dwelling units:				
Single-family	2,655	76.5%	3,797	88.0%
Multi-family	817	23.5	517	12.0
Total units	3,472	100.0	4,314	100.0

Source: "California Construction Trends," Security Pacific Bank.

EBMUD SERVICE AREA

Large Building Permits, January-June 1976

Type of Construction	Location	Owner/Builder	Amount
Industrial	San Leandro	Caterpillar Tractor Co.	\$ 899,300
Stores	Richmond	J. C. Penney Co.	1,500,000
Industrial	Oakland	Kilpatrick's Bakeries	1,000,000
Amusements	Richmond	Taubman Constr. Co.	610,000
Industrial	Richmond	Stauffer Chemical Co.	998,618
Senior Citizens Housing	Richmond	Richmond Housing Authority	691,200
Amusements	Oakland	City of Oakland	1,448,573
Parking Garages	Oakland	City of Oakland	6,722,936
Packaging Facility	Oakland	United Parcel Service	600,000
3-4 Unit Dwellings	Walnut Creek	Terra California	1,680,020
Apartments	Walnut Creek	Terra California	1,219,856
Office Building	Walnut Creek	Safeway Stores	2,132,857
Community Center	San Pablo	San Pablo Redevel. Agency	2,226,000

Source: "California Construction Trends," Security Pacific Bank.

Transportation

Transportation facilities have played an important role in the development of the District and surrounding area. Initially, heavy industry was attracted to Oakland and to the northern boundary of Contra Costa County because of direct access for deep water ships to San Francisco Bay and the Pacific Ocean. Contra Costa County annually accounts for between 70 and 80 percent of the tonnage passing through the Golden Gate.

Prior to World War II, the Caldecott Tunnel was bored under the Berkeley Hills to Contra Costa County, permitting residential development in central Contra Costa County by speeding Oakland and San Francisco bound traffic. A third barrel of two lanes has been built and improvements to the original two bores made. The project permits four-lane traffic in the direction of peak flows by utilizing the two lanes of the middle bore for alternate directions in the morning and evening. The Caldecott tunnel remains the principal highway link between the heavily populated areas of Alameda and Contra Costa Counties.

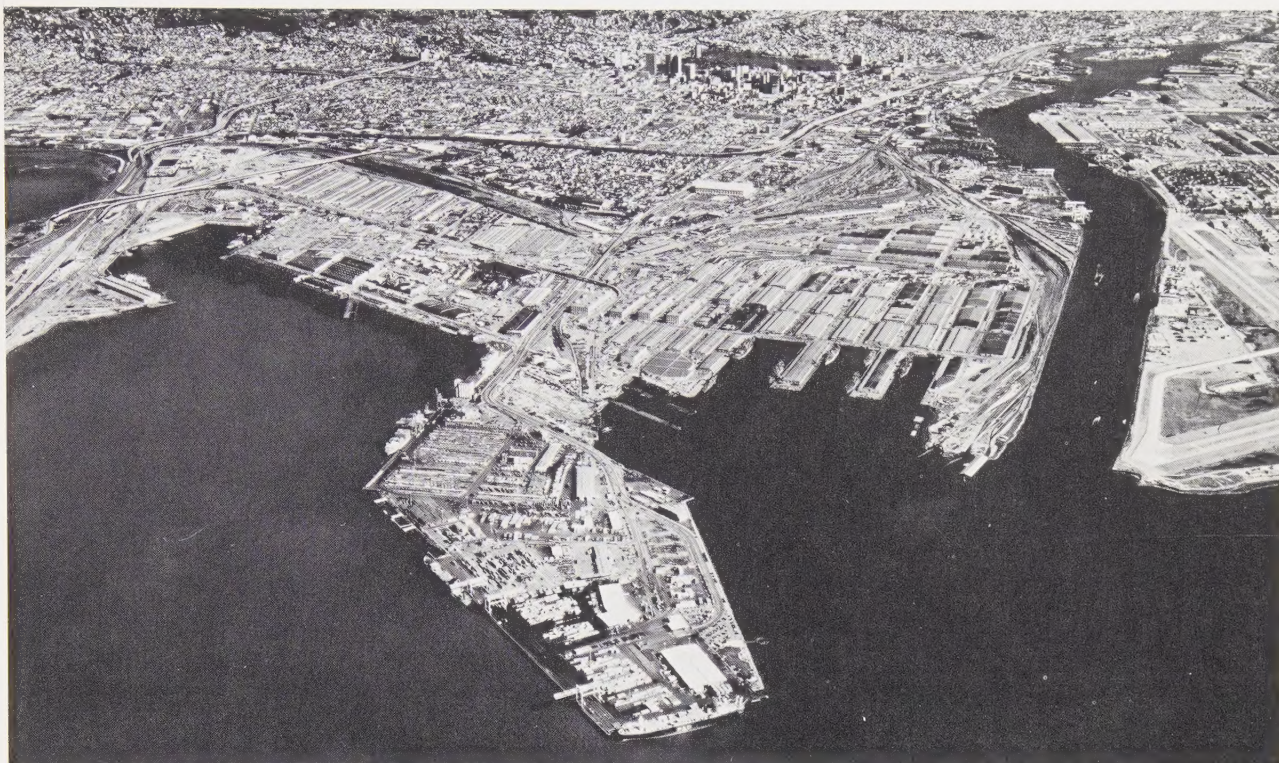
Major highways in the District include Interstate 80, which connects San Francisco and Sacramento, Interstate 680, connecting interior points with San Jose and State Highway 17, accommodating north-south traffic circulation along San Francisco Bay. State Highway 24 links Oakland with eastern Contra Costa County, and Interstate 580 traverses the southern part of the District, providing access to the San Joaquin Valley and Southern California via Interstate 5.

Transbay bridges include the San Francisco-Oakland Bay Bridge, which extends Interstate 80 into San Francisco; the Richmond-San Rafael Bridge, leading into Marin County and northern areas; and the San Mateo and Dumbarton Bridges connecting East Bay points with the San Francisco Peninsula.

Three transcontinental railroads—Southern Pacific, Santa Fe and Western Pacific—have major terminals in the East Bay, providing service to national markets. A \$1 million AMTRAK terminal will be built adjacent to the Richmond BART terminal enabling passengers to transfer to BART or A/C Transit for points throughout the Bay Area. Funds have been appropriated by the State Legislature.

The Port of Oakland, an independent agency of the City of Oakland, is the second largest container port in the United States. It handled almost seven million revenue tons of cargo in 1975, and is served by 46 international shipping lines. The Port has 25 berths, over 300 acres of container terminal facilities with 14 container cranes, and an additional 40 acres of general cargo and special handling areas. Currently under construction is another 52-acre container terminal complex in the Port's Outer Harbor for completion by 1977.

The Port of Oakland also operates Oakland International Airport, the 300-acre Oakland Airport Business Park, an adjoining 175-acre Distribution Center, and Jack London Square, the East Bay entertainment and restaurant center. The latter generates retail transactions of more than \$10 million annually.



Port of Oakland

Oakland International Airport serves 130 U.S. and overseas cities with regularly scheduled flights by eleven airlines. The main runway of 10,000 feet is being lengthened to 12,500 feet. During 1975, approximately 2.2 million passengers passed through the terminal, and over 333,000 aircraft movements were recorded. The world's two largest charter carriers—World Airways and Trans International Airlines—maintain headquarters bases at Oakland International Airport.

Bay Area Rapid Transit

Transportation planning in the East Bay centers on BART, the Bay Area Rapid Transit District, headquartered in Oakland. This high speed transit system serves the three counties of Alameda, Contra Costa, and San Francisco. BART carries commuters between Oakland and San Francisco in nine minutes, the trains transiting a tube under the Bay.

From Oakland, branch lines extend to Richmond, in western Contra Costa County, to Concord, in central Contra Costa County, and to Fremont, in southern Alameda County.

For District residents, the running time to Montgomery Street in San Francisco from Walnut Creek

and Richmond is 33 minutes, and from San Leandro it is 21 minutes.

Education

Public school instruction through the secondary grades in Alameda County is provided by four elementary school districts, one high school district, and fourteen unified (K-12) school districts. Contra Costa County is served by nine elementary school districts, two high school districts, and seven unified districts. In both counties, over 80 percent of all students are in unified school districts. Enrollment by grades for the years 1970 and 1975 is summarized on page 32. As noted, enrollment in the elementary grades has declined substantially in both counties during this period.

Community colleges in California are supported by local taxes and offer the two-year certificate in various academic and vocational fields. Community colleges in Alameda County, with 1975 enrollments in parentheses, are Oakland's Merritt College (9,814) and Laney College (14,027), and the College of Alameda (7,830), all under the Peralta Community College District. The South County Community College District operates Chabot College in Hayward and a new Valley Campus in Livermore,

PUBLIC SCHOOL ENROLLMENT^①

Grades K-12

Grade	Alameda County		Contra Costa County	
	1970	1975	1970	1975
Elementary (K-6)	127,488	107,984	77,618	67,953
Intermediate (7-8)	34,538	33,626	22,433	22,278
High School (9-12)	64,219	64,153	41,752	43,637
Continuation and Special	9,414	6,720	2,865	2,934
Total	235,659	212,483	144,668	136,802

① Does not include adult classes. October enrollment in years shown.

Sources: Alameda County Superintendent of Schools. Contra Costa County Superintendent of Schools.

with combined enrollment of 19,308. Ohlone College (9,050) in Fremont is the only campus of the Fremont-Newark Community College District.

The Contra Costa Community College District operates three campuses—Contra Costa College (9,718) at San Pablo, in the western part of the county, the new Los Medanos College (5,323) at Pittsburg, and Diablo Valley College (18,738) in Pleasant Hill, serving the eastern portion of Contra Costa County.

The University of California at Berkeley is one of the landmarks of the East Bay owing to both the impressiveness of its 1,200-acre campus and its reputation as an educational and research center. Enrollment (27,204 in the fall of 1975) normally represents every state in the nation and over one hundred countries. Other degree institutions of the East Bay Area include California State University, Hayward, with an enrollment of 11,771; Mills College, located in Oakland, a private college with an enrollment of 1,018; St. Mary's at Moraga, a Christian Brothers' school with an enrollment of 1,175; and Holy Names College in Oakland with 698 enrolled. A state college has been authorized for the Concord area, in Contra Costa County, but the Legislature has not yet appropriated the necessary funds for construction.

Recreation

Over 41,000 acres of recreational lands in Alameda and Contra Costa Counties are administered by the East Bay Regional Park District, a tax-supported public agency organized in 1934. These lands range in size from the 21-acre Point Isabel

Regional Shoreline in Richmond to the 4,908-acre Anthony Chabot Regional Park near San Leandro, both located in the EBMUD service area. They offer East Bay residents a variety of outdoor terrain and activities, including swimming, fishing, boat rental marinas, hiking, campgrounds, golf courses, riding, and picnic facilities.

At Anthony Chabot Regional Park, EBRPD leases 1,178 acres from EBMUD, and operates the marina complex at Lake Chabot. Other large regional parks in or near the EBMUD service area include Briones Regional Park, Las Trampas Regional Wilderness, Redwood Regional Park, Charles Lee Tilden Regional Park, and Wildcat Canyon Regional Park.

Recreational facilities of East Bay Municipal Utility District at Lafayette Reservoir and San Pablo Reservoir and a 55-mile system of hiking and riding trails on watershed land supplement the above system of regional parks, and represent a significant contribution to the quality of life in the East Bay. In addition to lakes and reservoirs in the East Bay, there are recreational facilities in operation at Pardee Reservoir and Lake Camanche, east of Stockton in the Sierra foothills.

District residents also enjoy boating and sailing on San Francisco Bay. Marinas along the East Bay Shore provide facilities for yachting enthusiasts as well as colorful shops and restaurants.

Outdoor recreational opportunities of the Sierra Nevada are less than three hours to the east for District residents. Cultural advantages of the San Francisco-Oakland metropolitan area are at hand, or within convenient driving distance.

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